

**Is it a Charter? The following examples will help in determining if an on-water activity is a Charter and requires licensing from the Lake Norman Marine Commission:**

**1. Charter Examples:**

- a. The Operator provides tours of the lake for a fee on a boat owned by the operator or other party (fee paid either by the hour or by the trip, etc.). This is a charter per paragraph 3(b) of the LNMC Charter Boat regulations that defines a charter boat as *“any boat that is (i)hired, or advertised for hire, to carry passengers who have paid a fee for services...”*
- b. The Operator takes passengers to and/or from one location on Lake Norman to another location for a fee (water taxi, ride from a dock or house to another location, etc.). This is a charter as defined in paragraph 3(b) – see above.
- c. The Operator picks passengers up at any location on Lake Norman, provides snacks or refreshments, drops them off at some location, and charges a fee for the trip. This is a charter per paragraph 3(b) that also states a charter boat is *any boat “hired, or advertised for hire, to carry passengers who have paid a fee for services including, without limitation, sightseeing, fishing, consuming food or beverages, swimming, waterskiing, and diving; and (ii) owned, operated, or controlled by a person or entity other than the passengers.”*
- d. A club or organization hires and pays a member who is a Licensed Captain to operate one of the club-owned boats to take member passengers out for tours or activities on Lake Norman. The members pay or are charged a fee for the trip. This is a charter, as the passengers are paying a fee for the services of the boat and the Captain is compensated for services.
- e. A boat operator is waved down by another boater in a boat adrift on Lake Norman. The owner of the adrift boat states the boat is out of gas and asks the operator to tow the boat to a nearby marina for gas. The operator says he will charge the out-of-gas boat owner \$50 to tow the disabled boat to the marina. This is a charter because a fee is being paid for a passage and service (by passengers in the other boat) - and towing for a fee not only requires a USCG license for the towing operator, but also a USCG Towing Endorsement on the license to be legal. It would NOT be a charter if the person towed voluntarily as a good Samaritan and did not charge a fee or otherwise demand payment for the tow.

**2. Non-Charter Examples:**

- a. A volunteer (or group of volunteers) takes passengers out on their boat(s) on Lake Norman for tours or on-lake activities as part of an organized event such as Big Day at the Lake, Operation North State, etc. This is not a charter, as there is no fee being charged to passengers for the use of the boat, and Operators of the boats are volunteers and not compensated for their time or boat use.
- b. A boat dealer has an on-water boat show on Lake Norman, and employees of the boat dealer take prospective customers out for test rides on the dealer’s boats. This is not a charter, because the passengers are not paying a fee for the test ride.
- c. A club or other organization sponsors an event on Lake Norman and charges a registration fee for the event to cover food, beverages, trophies, or other event-related expenses. Part of the activities may include boat rides or use of boats operated by volunteers or members and owned by the volunteers/members or by the organization. Examples include Sailing Regattas, Treasure/Scavenger Hunts, Dragon Boat Races, etc. This is not a charter, as there is no fee being charged to passengers specifically for the boat trip/use, and operators are not being compensated for their effort or use of their boats.

- d. A person, club, or organization has an event on a boat owned and operated by a volunteer or member and reimburses the volunteer or member for trip expenses such as fuel. This is not a charter, as the passengers are not paying a fee for the trip and the owner/operator is not being compensated for their effort. This one requires some care, as it must be clear the money paid is for expenses, not for use/rental of the boat, the trip, or transporting passengers. (see below)
- e. The boat owner hires and pays a licensed Captain (or other person) to operate the owner's boat to take guests out on Lake Norman (at no charge to the guests) for a tour, sightseeing, an onboard party, or other on-lake activity. This is not a charter because the passengers are not paying for the service or the use of the boat – it could be compared to having a designated driver. However - If the boat owner charges the guests for the trip – then *passengers have paid a fee for services* and the trip would be a charter.
- f. A boat dealer sells a boat to a customer. The boat dealer then provides the customer (and possibly other passengers) with instruction on operating the boat and navigating Lake Norman for a fee after the sale. This is not a charter (somewhat similar to above) because the boat owner is on their own boat, passengers are not paying a fee for the trip, and the boat dealer representative is providing safety or navigation instruction to the operator(s).
- g. A boat owner charges an hourly or daily fee for use of their boat, and delivers the boat to the customer for use. The customer operates the boat for the duration specified and returns it to the owner. This is not a charter, as the boat is not “hired, or advertised for hire, to carry passengers who have paid a fee for services” - but this is a boat rental governed by the Lake Norman Marine Commission Boat Rental Regulations, and the rental must meet LNMC requirements for the boat and rental entity (company or individual).

**Thank you for your interest in boating safety on Lake Norman!**

**These examples are not considered all-inclusive and are provided for information and use by the Lake Norman Marine Commission. Questions regarding Lake Norman Charters or Boat Rentals are welcome – you can contact the Marine Commission or download copies of the regulations and associated forms at the website:**

**[www.lnmc.org](http://www.lnmc.org)**

